GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2359
ANSWERED ON:15.03.2007
ASSISTANCE FOR SETTING UP OF FOOD PROCESSING INDUSTRIES
Agarwal Shri Dhirendra;Renge Patil Shri Tukaram Ganpatrao

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government has fixed any criteria for providing assistance for setting up of food processing industries;

(b) if so, the details thereof;

(c) whether officials cause unnecessary delay in regard to processing of applications received by them; and

(d) if so, the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) & (b): Ministry of Food Processing Industries under its Plan Scheme for technology upgradation/modernization/establishment of food processing industries extends financial assistance to implementing agencies/entrepreneurs for technology upgradation/modernization/ establishment of food processing units in the form of grant-in-aid @ 25% of the cost of plant and machinery and technical civil works subject to maximum of Rs.50 lakhs in general areas or 33.33 % subject to a maximum of Rs.75 lakhs in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Sikkim and North Eastern States, Andaman & Nicobar Islands, Laskshadweep and ITDP Areas. Under the Mini Mission IV of Technology Mission for Development of Horticulture, in difficult and high horticultural potential areas, assistance at still higher rates @50% of the cost of plant and machinery and technical civil works subject to a maximum of Rs.4 crores is available for processing of horticultural produce.

(c) & (d) : The applicant units have to provide necessary documents and details as prescribed in the applications for seeking financial assistance under the Scheme. However, in case of incomplete information, the applicant units are required to furnish all relevant information required for processing the grant. Periodical internal review is undertaken by senior officers in case of pending applications. Meetings are also held with the State Nodal Agencies, which are State Government Departments/Corporations which forward the applications from the entrepreneurs and provide interface with the Ministry for speedy receipt of required information and documents for expeditious disposal of the applications. To bring transparency in the procedure for disposal of the applications, the status of each pending application has been displayed on the website of the Ministry. The Government will implement this scheme in a decentralized manner from the 11th Plan by routing new applications through the banks.